



Test Valley Borough Council

Energy Bills Rebate Policy

April 2022

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## 1 Purpose of the Scheme and background

- 1.1 On 3 February 2022 the government announced a package of support known as the Energy Bills Rebate to help households with rising energy bills, worth £9.1 billion in 2022-23. This includes:
- A £200 discount on their energy bill this autumn for domestic electricity customers in Great Britain. This will be paid back automatically over the next 5 years.
  - A £150 non-repayable rebate for households in England in council tax bands A to D, known as the Council Tax Rebate.
  - £144 million of discretionary funding for billing authorities to support households who are in need but may not be eligible for the Council Tax Rebate, known as the Discretionary Fund.
- 1.2 This policy covers the operation and delivery of the Council Tax Rebate and Discretionary Fund. The Department for Business, Energy and Industrial Strategy (BEIS) will separately set out details on the energy bill discount scheme in a consultation in the spring.
- 1.3 Whilst the awarding of the £150 Council Tax Rebate will be the Council's responsibility, BEIS has set down the eligibility criteria which **must** be met. All Council Tax Rebate grants should be paid as soon as possible from April 2022 and will need to have been made by 30 September 2022.
- 1.4 Grants made under the Discretionary Fund are to be passed on directly as one-off grants to households that the Council has chosen to support. All Discretionary Fund grants will need to have been made by 30 November 2022.
- 1.5 In view of the limited amounts available for the Discretionary Scheme, should funding be exhausted, the Council reserves the right to either reduce the awards available or to close the scheme.

## 2 The Council Tax Rebate – Eligibility criteria and payments

### Eligibility

- 2.1 The government recognises that many households will need support to deal with the rising cost of household bills in 2022-23, driven by increasing energy bills. While these rising costs will affect most households across the country, they are more likely to disproportionately affect those on lower incomes, who tend to spend a higher proportion of their income on utility bills.

2.2 To provide some immediate relief for these rising costs, while targeting those most likely to require support, the Council will make a £150 one-off payment to a liable council tax payer (or an occupant where the property is exempt) where they occupy a property which meets all of the following criteria on 1 April 2022:

- It is valued in council tax bands A to D. This includes property that is valued in band E but has an alternative valuation band of band D, as a result of the disabled band reduction scheme;
- It is someone's sole or main residence;
- It is a chargeable dwelling, or in exemption classes N, S, U or W

2.3 This means that:

- Where the council is aware that the liable council tax payer for a chargeable dwelling does not occupy the property (for example in a House in Multiple Occupation (HMO) or residential care home), **no-one** will be eligible for the rebate in relation to that property.
- Where a property is in exemption classes N (other than HMOs for council tax purposes), S, U or W and the council is able to contact an occupant, the occupant **will** be eligible for support.
- A property that meets all the criteria, but has a nil council tax liability as a result of local council tax support, **will** be eligible.
- A property that has no permanent resident and is someone's second home **will not** be eligible.
- An unoccupied property (for the purposes of calculating council tax) **will not** be eligible.

2.4 For the purpose of the Council Tax Rebate, a household is a person or group of persons occupying a single dwelling, as defined in section 3 of the Local Government Finance Act 1992.

2.5 Eligibility is determined based on the position at the end of the day on 1 April 2022. Where the Council has reason to believe that the information they hold about the valuation list, liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 is inaccurate, we will withhold the payment and take reasonable steps to determine the correct information.

2.6 Where records relating to the liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 are retrospectively updated, the Council will take reasonable steps to pay or clawback payments.

- 2.7 Where the property band recorded on a valuation list is amended retrospectively to 1 April 2022, for example as a result of a successful appeal made to the Valuation Office Agency ('VOA') that concluded after this date, the Council will not pay or clawback payments. The exception is where a property is a new build and awaiting an official banding from the VOA. In these cases, eligibility will be determined based on the official band subsequently allocated by the VOA, where this has an effective date before or on 1 April 2022.
- 2.8 Where a review, proposal or appeal pre-dating the announcement on 3 February 2022 is successful after 1 April 2022 and as a result, a property would have been eligible for the rebate, we may provide support using the Discretionary Fund (see section 3).

## **Payments**

- 2.9 Payments will be made by the Council to eligible households. Only one £150 payment will be made under the Council Tax Rebate per household, regardless of the number of occupants or liable council taxpayers.

## **Where we hold live direct debit instructions for a liable council tax payer of an eligible household**

- 2.10 Where we hold live direct debit instructions for a liable council taxpayer of an eligible household, we will make an automatic payment as early as possible in the 2022-23 financial year, provided that we are assured that the household is eligible and the bank details have been verified. Where multiple residents of an eligible household are jointly and severally liable for council tax, and we hold live direct debit instructions for that household, the full £150 payment will be made to the direct debit account. We will exclude any direct debits from automated payments (and follow the steps from paragraph 2.11 onwards) where the name on the bank details does not match a liable party.
- 2.11 We will send a remittance advice to recipients by email or post. This will provide the details of the payment and confirm that the grant is being provided on the assumption that they were a liable council tax payer (or would have been if the property were not exempt) and that the property met the criteria set out at paragraph 2.2 on 1 April 2022. This will also confirm that, if this is not the case, the grant may be liable for recovery. Recipients will also be advised that the grant is being provided to support all residents of the household.
- 2.12 We will make payment as soon as possible after the first direct debit council tax payment for 2022-23 has been taken on the given live instruction. This is to reduce mandate fraud particularly where direct debit details have been changed or newly provided since the scheme was announced on 3 February 2022.

## **Where we do not hold live direct debit instructions for an eligible household**

- 2.13 Where we do not hold live direct debit instructions for an eligible household, we will contact the council taxpayer by email or letter to make them aware of the scheme and invite them to make a claim.
- 2.14 Claims must be made via our website [www.testvalley.gov.uk](http://www.testvalley.gov.uk) by 15 September 2022 to enable time for the payment to be processed. Residents who are digitally excluded can contact Customer Services who will be able to assist with a telephone application. Payment will be made by BACS by 30 September 2022 or a resident can choose to have £150 credit paid an eligible household's council tax account as a payment option.
- 2.15 The claimant will be required to self-certify that they are (or would be in the case of exempt property) a liable taxpayer, that they meet the eligibility criteria at paragraph 2.2, and that they are claiming on behalf of the household.
- 2.16 We will undertake pre-payment checks prior to payment of any grant which is not awarded to a live direct debit holder. The Council reserves the right to request any supplementary information to confirm that the person applying is entitled to payment. The legal gateway for any requests is held in section 3(1)(c) of the Council Tax (Administration and Enforcement) Regulations 1992.

## **3 The Discretionary Fund - Eligibility criteria and payments**

### **Eligibility**

- 3.1 The Council has considered the government's guidance to target the most vulnerable households who are impacted by the cost of rising energy prices. Due to the level of funding the Council will be receiving from the government we have decided to focus on most vulnerable residents.
- 3.2 Discretionary Fund payments will be made to residents currently in receipt of certain disability benefits or reductions in their Council Tax due to disabilities. To provide additional support to these vulnerable residents the Council will make the following payments to a liable council tax payer (or an occupant where the property is exempt) where they occupy a property which meets one the following criteria on 1 April 2022:
- £220 one-off payment for Council Tax Support claimants in receipt of Disability Living Allowance or Personal Independence Payment in bands E to H;
  - £70 top up payment to Council Tax Support claimants in receipt of Disability Living Allowance or Personal Independence Payment in bands A to D;
  - £220 one-off payment for residents not in receipt of Council Tax Support with a Council Tax Disabled Band Reduction or Severely Mentally Impaired exemption in bands E to H;
  - £70 top up payment for residents not in receipt of Council Tax Support with a Council Tax Disabled Band Reduction or Severely Mentally Impaired exemption in bands A to D.

3.3 Discretionary Fund payments may also be made in the following circumstances:

- £150 for residents where a review, proposal or appeal pre-dating the announcement on 3 February 2022 is successful after 1 April 2022 and as a result, a property would have been eligible for the rebate;
- A further top-up payment in exceptional cases where a resident requires additional support. The value is to be determined by the Council on a case by case basis and any award will only be made if there is sufficient funding remaining in the Discretionary scheme.

3.4 For the purpose of the Discretionary Fund payments, a household is a person or group of persons occupying a single dwelling, as defined in section 3 of the Local Government Finance Act 1992.

3.5 Eligibility is determined based on the position at the end of the day on 1 April 2022. Where the Council has reason to believe that the information they hold about the valuation list, liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 is inaccurate, we will withhold the payment and take reasonable steps to determine the correct information.

3.6 Where records relating to the liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 are retrospectively updated, the Council will take reasonable steps to pay or clawback payments.

## **Payments**

3.7 Payments will be made by the Council to eligible households. Only one payment will be made under the Discretionary Fund scheme per household, regardless of the number of occupants or liable council taxpayers.

## **Where we hold live direct debit instructions for a liable council tax payer of an eligible household**

3.8 Households who are entitled to receive a £150 payment under the Energy Bills Rebate scheme and are eligible for a Discretionary Fund payment will receive the additional top up payment as soon as possible; these residents will not need to make a separate claim.

3.9 Households residing in properties in bands E to H where we hold a live direct debit instructions for a liable council taxpayer of an eligible household, we will make an automatic payment as early as possible in the 2022-23 financial year, provided that we are assured that the household is eligible and the bank details have been verified. Where multiple residents of an eligible household are jointly and severally liable for council tax, and a council holds live direct debit instructions for that household, the full £150 payment will be made to the direct debit account. The Council will exclude any direct debits from automated payments (and follow the steps from paragraph 2.11 onwards) where the name on the bank details does not match a liable party.

3.10 We will send a remittance advice to recipients by email or post. This will provide the details of the payment and confirm that the grant is being provided on the assumption that they were a liable council tax payer (or would have been if the property were not exempt) and that the property met the criteria set out at paragraph 3.2 on 1 April 2022. This will also confirm that, if this is not the case, the grant may be liable for recovery. Recipients will also be advised that the grant is being provided to support all residents of the household.

#### **Where we do not hold live direct debit instructions for an eligible household**

3.11 Households who are entitled to receive a £150 payment under the Energy Bills Rebate scheme and are eligible for a Discretionary Fund payment will receive the additional top up payment as soon as possible; these residents will not need to make a separate claim.

3.12 Households residing in properties in bands E to H where we do not hold live direct debit instructions for an eligible household, we will contact the council taxpayer by email or letter to make them aware of the scheme and invite them to make a claim.

3.13 Claims must be made via our website [www.testvalley.gov.uk](http://www.testvalley.gov.uk) by 15 November 2022 to enable time for the payment to be processed. Residents who are digitally excluded can contact Customer Services who will be able to assist with a telephone application. Payment will be made by BACS by 30 November 2022 or a resident can choose to have a credit paid an eligible household's council tax account as a payment option.

3.14 The claimant will be required to self-certify that they are (or would be in the case of exempt property) a liable taxpayer, that they meet the eligibility criteria at paragraph 3.2, and that they are claiming on behalf of the household.

3.15 We will undertake pre-payment checks prior to payment of any grant which is not awarded to a live direct debit holder. The Council reserves the right to request any supplementary information to confirm that the person applying is entitled to payment. The legal gateway for any requests is held in section 3(1)(c) of the Council Tax (Administration and Enforcement) Regulations 1992.

#### **4 Impact of payments**

4.1 To ensure that households receive the full benefit of the rebate scheme, payments made under the Council Tax Rebate or Discretionary Fund will not affect any calculation of Council Tax Support for 2022-23.

4.2 All payments made under the Council Tax Rebate or Discretionary Fund are treated as local welfare provision and therefore will not be taken into account in the calculation of income related benefits and Universal Credit.

4.3 All payments made under the Council Tax Rebate or Discretionary Fund are non-taxable. Recipients do not need to inform HMRC of the amounts received and those who are self-employed do not need to report the amounts on their Self-Assessment



tax returns. As these payments are non-taxable they do not impact tax credits. Tax credits claimants do not need to report these payments as income to HMRC.

## **5 Scheme of Delegation**

- 5.1 The Council has approved this scheme.
- 5.2 Officers of the Council will administer the scheme and the Section 151 Officer is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with government guidance.

## **6 Notification of Decisions**

- 6.1 Claims will be considered on behalf of the Council by the Finance and Revenues Service. A payment shall be made as soon as practicable after a claim is received.
- 6.2 Where an ineligible claim is made; we will notify the resident of the reason they do not qualify for a payment; either in writing or by email.

## **7 Review of Decisions**

- 7.1 The Council will operate an internal review process and will accept an applicant's request for a review of its decision.
- 7.2 All such requests must be made in writing to the Council by 15 October 2022 or within 14 days of the Council's decision (whichever is the earliest date) and should state the reasons why the applicant is aggrieved with the decision of the Council. New information may be submitted at this stage to support the applicant's appeal.
- 7.3 The application will be reconsidered by a senior officer, as soon as practicable and the applicant informed in writing or by email of the decision.

## **8 Complaints**

- 8.1 The Council's 'Complaints Procedure' will be applied in the event of any complaint received about this scheme. This can be found at [www.testvalley.gov.uk/complaints](http://www.testvalley.gov.uk/complaints)
- 8.2 Any disputes about council tax banding should be resolved through the Valuation Office Agency's usual process for reviews, proposals and appeals. This can be found at [www.voa.gov.uk](http://www.voa.gov.uk)

## **9 Managing the risk of fraud**

- 9.1 Neither the Council, nor government will tolerate any council tax payer falsifying their records or providing false evidence to gain access to the Council Tax Rebate or Discretionary Fund.
- 9.2 A ratepayer who provides false information or makes false representation in order to benefit from the Council Tax Rebate or Discretionary Fund may be guilty of fraud under the Fraud Act 2006.

## **10 Recovery of amounts incorrectly paid**

- 10.1 If it is established that any rebate has been made incorrectly due to error, misinterpretation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

## **11 Data Protection and use of data**

- 11.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection Policy which is available on the Council's website